

ENTREPRENEURSHIP FOR WOMEN IN ISLAM: AN INSTITUTIONAL PERSPECTIVE

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Abstract: *This study aims at analyzing critical factors for institutionalization of Islamic women entrepreneurship. It focuses on women entrepreneurship from two perspectives: firstly Islamic, and secondly from institutional theory. It develops two types of links: one is women entrepreneurship with Islam and another is Islamic women entrepreneurship with neo-institutional theory. It is evident that women were never forbidden from the involvement of entrepreneurial activities in Islam. But there are certain conditions exclusively for women that are to be strictly followed. The study shows those conditions under three mechanisms of neo-institutional theory: coercive, normative and mimetic mechanisms. In view of coercive mechanism, women entrepreneurs are to comply with the rules and regulations based on Islamic Shariah. Under the normative mechanism, Islamic values and norms are to be followed by the women entrepreneurs. As of mimetic mechanism, Muslim women entrepreneurs can be built following other Muslim women entrepreneurs. It is posited that these three mechanisms can institutionalize Islamic women entrepreneurship at a desired level.*

Keywords: *Islamic Entrepreneurship, Women Entrepreneur, Institutional Theory*

Introduction

Women entrepreneurs have become more important players in the entrepreneurial landscape. The involvement of women in various entrepreneurial activities has empowered them in sociopolitical, economic and cultural arenas. The power of and access to decision making activities has been increased for women (Nawaz, 2009). Despite the fact that the number is still small as compared to businesses owned by men, this is remarkable as it shows that women no longer adhere to the stereotype that only men can contribute financially to the family (Alam *et. al*, 2012). Although women entrepreneurs around the world suffer from numerous disadvantages such as discrimination, lack of business experience and limited access to financing, the challenges for women entrepreneurs may be more severe in Muslim dominating and Islamic countries where religion, ethical values, cultural factors are additional deterrents (McKenna, 2009).

Entrepreneurial activity relating to women entrepreneurs has been the interest of many researchers, as the society has begun to accept that women entrepreneurs do contribute

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greatly to a country's economy (Alam et. al, 2012, Nawaz, 2009). A good number of studies have been undertaken on entrepreneurship, women entrepreneurship, and Islamic entrepreneurship. Many of the researches have focused on the men entrepreneurship than women entrepreneurship. Kuratko & Hodgetts (2007) contributed to entrepreneurship theory. According to Chowdhury (2008), the conventional theories and models of entrepreneurship have not been succeeded in providing solutions to many business mal-practices and unethical social problems that caused sufferings to mankind. In order to get rid of these solutions, he has developed an Islamic model of entrepreneurship. Nawaz (2009) attempted to frame women entrepreneurship based on institutional theory without any link to Islamic model or religious values. As stated by Ullah et. al (2013), religion like Islam has its own entrepreneurship culture and guiding principles in business operations based on the Holy Quran and Hadith. According to them, Islam is not against women working or engaging themselves in business or business related activities rather Muslim women were given certain rights and privileges along with duties and responsibilities in operating business more than 1400 years ago. It is evident from the succinct review of literature than studies are available on entrepreneurship inclusive of women issues, Islamic and institutional perspectives. But no study has linked Islamic entrepreneurship based on the institutional framework.

This paper aims at analyzing critical factors of women entrepreneurship in Islam under the neo-institutional theory. The study attempts to represent two types of links: firstly women entrepreneurship with Islam and secondly Islamic women entrepreneurship with neo-institutional theory. The organization of the study is structured as follows. The next section summarizes the concept and features of entrepreneurship. The third section highlights the emergence of women entrepreneurship. Islamic entrepreneurship is then elucidated in the fourth section. The fifth section provides an institutional framework for Islamic women entrepreneurship before the last section ends with some concluding remarks.

Concept of Entrepreneurship

The concept of entrepreneurship is very broad. It refers to the skills and innovativeness by which individuals take initiative to become involved in productive pursuits for achieving certain goals and objective. It represents entrepreneurial activities for the successful conduct of operations in an enterprise (Chowdhury, 2009). Entrepreneurs usually try to identify lucrative business opportunities and exploit these by applying their knowledge, competence and experiences for attaining personal and organizational objectives and goals (Kuratko & Hodgetts, 2007). As stated by Madura (2007), entrepreneurs are the people who organize, manage, and assume the risk of starting a business. In view of above reviews, an entrepreneur may be defined as an innovator who recognizes opportunities; converts these opportunities into workable ideas; value them through time, efforts, and money; assume the risks of the competitive marketplace to implement these ideas; and realizes the rewards through achieving entrepreneurial objects and goals.

Characteristics of Entrepreneurship

There are a number of features and characteristics to recognize the entrepreneurial activities of an entrepreneur. The International Labor Law (ILO, 1984) cited in Islam and Aktaruzzaman (2001) defines an entrepreneur as a person with a set of characteristics that typically includes self-confidence, result-oriented, risk taking, leadership, originality and future-oriented. Given that entrepreneurship is the set of activities performed by an entrepreneur, it could be argued that being an entrepreneur precedes entrepreneurship. In any case, the entrepreneurial definitions described above highlight the aspects of risk-taking, innovating and resource organizing. The common characteristics of entrepreneurship are as follows:

- Economic Agent: Entrepreneurship is mostly an economic function because it involves the formation and maneuver of an enterprise. It is basically concerned with the production and distribution of services.
- Creativeness: Entrepreneurship is a resourceful response to changes in the environment. It involves innovation or introduction of something new and better. An entrepreneur is a change agent.
- Risk Taker: Risk is an inherent, intrinsic and inseparable element of entrepreneurship. An entrepreneur assumes the uncertainty of future. In the pursuit of profits there is every possibility of loss.
- Innovativeness: Entrepreneurship is an innovative function as it involves doing things in new and better way. Innovation may take in several forms e.g. a new product, a new source raw material, a new market, a new method of production etc.
- Dynamism: Entrepreneurship is a dynamic function. Entrepreneurs thrive on changes in the environment that bring useful opportunities for business. Entrepreneurs always need to take different dynamic decisions. Thus entrepreneurship is a multi-dimensional concept. It is both an art as well as a science. But it is more an art than science. There are very few ground rules or principles that can be used to create and run business enterprises in a fast changing and heterogeneous environment (Newaz, 2009).

Common Entrepreneurial Success Factors

Many entrepreneurs, especially small business owners feel motivated to start a business on the basis of lifestyle or personal factors. As identified by Kao (1991), the most important entrepreneurial success factors are as follows:

- Calculated risk taking and risk seeking
- Commitment, determination, and perseverance
- Drive to achieve and grow
- Initiative and personal responsibility
- Integrity and reliability
- Internal locus of control
- Low need for status and power
- Opportunity and goal orientation
- Persistent problem solving
- Realism and a sense of humor
- Seeking and using feedback.

Differences between Men and Women in Entrepreneurship

A good number of studies showed the differences between men and women in entrepreneurship. Longitudinal studies assessed psychological characteristics, personality traits, and business organizing activities; by using measurement of achievements and creativities, found that there are many differences between men and women as entrepreneurs. Some important differences are stated below:

- The most significant difference between men and women entrepreneurs was found in scores on innovation and achievement/activity (Karim & Azmi, 2011).
- Women entrepreneurs and managers were more likely to take risks than their male counterparts. And women may be more willing to accept entrepreneurial risk because they face a more hostile and prejudicial work environment (Karim & Azmi, 2011).
- Inadequate starting capital is a major problem for the women entrepreneurs as compared to men entrepreneurs in the developing countries (Parvin et al., 2012).
- Small business consultant Elizabeth Gordon, has noticed a similar trend in women business owners. "A lot of times, women are looking to get soft things out of their business," she says. "They want things like meaning, balance and fun. Men are more cut and dry; they're just looking for profits." (Alderton, 2008).
- Seet et al. (2008) have expanded to comparative studies between genders. The research has concluded that men and women entrepreneurs differ mostly in personality traits.

Emergence of Women Entrepreneurship

Women entrepreneurship, also termed as "womenpreneur" (Alam et al., 2012) is a rapidly growing phenomenon both in developed and in developing countries. It has emerged on a steady rise in the U.S. and other developed countries for decades. Khanka (2002) referred to women entrepreneurs as those who innovate, imitate or adopt a business activity. Female who play an intriguing role by frequently interacting and actively adjusting herself with socio-economic, financial and support spheres in society is known as women entrepreneurs (Ullah et al., 2013, cited in Anjum et al., 2012). The involvement of women in different entrepreneurial operations has recognized them in socio-cultural, financial, managerial and political activities.

A number of studies show a sharp increase of 20% from 1997 to 2002 in the number of women that owned businesses in the U.S. (Barringer, Ireland 2010). In Canada, the growth in the number of self-employed women was up by 50% from 1989 to 2004 (CIBS Small Business, 2004). Women entrepreneurship started to gain momentum first in the countries where women were gaining access to professional opportunities and equal rights with men during the second half of the 20th century. However, as the world started to move towards an information age at the end of the century with the internet, cell phones and satellite TV in the center of people's life even in far corners of the planet and as pace of globalization increased women in developing countries joined the race to start their own businesses even in some traditional societies. The impact of women entrepreneurship on the global economy has just started to gain intensity (Jalbert, 2000).

Worldwide the number of female business owners continues to increase steadily. For example, women produce more than 80% of the food for Sub-Saharan Africa, 50-60% for Asia, and 34% for North Africa and the Middle East (Jalbert, 2000, cited in Zeidan & Bahrami, 2012)

According to the World Bank Report (2003 -2006), only 13% of businesses are owned by women in the Middle East and North Africa. This number is significantly lower than those in East Asia, Latin America, or Europe and Central Asia. The share of female-owned firms in the Middle East varies significantly across the region, however—from nearly 30% in Lebanon and 20% in Egypt to just 10% in Morocco and Syria (The World Bank, 2006). Even though the number of women owned businesses is low in the Middle East as compared to other parts of the world it still goes beyond expectations. The reason for the lower number of female business owners may be attributed to the fact that women in the Middle East are still facing a number of gender related barriers outside the business environment, which could discourage them from becoming business owners. These barriers are more concrete in some places than others depending on the country and could impact the performance of women owned businesses. The World Bank report identified three factors that contributed to fewer women taking the route of entrepreneurship in the Middle East and North Africa. The first factor is the general unfavorable attitude towards women holding their own careers including their own businesses. Second, women are hesitant to take risks, and cumbersome business practices are perceived to increase risks involved in opening up your own business. Third, family laws can influence economic regulations as women in some areas are considered—legal minors. For example, some women business owners consistently report having limitations to moving around, for instance going on a business trip, because of needing a male’s relative permission to travel. This adds to the bureaucratic procedures they have to face in running their businesses.

Women started business mainly for the need to achieve, a desire to be independent, the need for job satisfaction, and for economic necessity (Schwartz, 1979). Hisrich and Brush (1987) studied on women’s entrepreneurial motivation and examine the reasons for women to start their businesses. This study reveals that “push” factors including frustration and boredom in their previous jobs and “pull” factors such as autonomy are the main reasons for starting new business. Scott (1986) study reported that women entrepreneurs wanted to be their own boss, wanted the challenge, or wanted to make more money. Helms (1997) studied on US workforce and explains that women often start their own business for “three types of personal gains: personal freedom, security, and/or satisfaction”. These findings are also supported by Alam et al. (2012). According to them, “greater freedom to adopt their own approach to work” is the most important motivating factor for women entrepreneurs in the context of Malaysia. The entrepreneurs are also motivated by “being his/her own boss,” “challenging self”, and “continue a family tradition”. Avolio (2012) identified the various reasons why women become entrepreneurs, considering their life cycle and the factors that have encouraged them, using the qualitative paradigm based on case studies of twenty four women entrepreneurship in Peru. The research identified six profiles according to the different

routes by which women choose entrepreneurship: Young women with employment options, growing women with external constraints, consolidated women with a trunked career. The study concluded that women entrepreneurs are not in a homogeneous group.

Entrepreneurship in Islam

Islam is a complete code of life that promotes peace, harmony, self-accountability, rationality, social justice and prosperity. It emphasizes on honesty, transparency and proper use of available resources. It provides guidelines for building up a welfare oriented just society. Entrepreneurship is crowned with success when hard work, commitment and achievement orientation are associated with honesty, integrity and moral values, which basically accrue from the teachings of Islam. Islamic sway of entrepreneurship warrants the performance of entrepreneurial activities within the framework of Islamic ideals and philosophical foundations. When entrepreneurs play their role in the society having imbued with Islamic ideology to develop a peaceful and prosperous society, Islamic entrepreneurship emerges. This type of entrepreneurship makes concerted efforts to achieve the enterprise goals by meeting the genuine expectations of the stakeholders. Fair dealings and transparent handling of managerial operations are the binding blocks of Islamic entrepreneurship. In essence, knowledge of Islamic management and Islamic financial system provide guidelines to follow Islamic entrepreneurship. The strong influence of super-ego and Islamic moral values enable the Islamic entrepreneurs to make ethical and sound decisions that aims at achieving long-term welfare of the society (Chowdhury, 2008).

Essence of Islamic Entrepreneurship

Since the dawn of civilization, entrepreneurs were found to be engaged in various economic and business activities to cater to the needs of the society through goods, services, ideas and entertainments. They were found to perform multidimensional activities in the light of their knowledge, wisdoms, skills and thoughts. These entrepreneurial activities, known as entrepreneurship, resulted in either welfare or harm to the society depending upon the role of entrepreneurs. At times, it was observed that the society had to suffer because of the selfish ends of a section of entrepreneurs. When the evil forces dominated in different spheres of social life, civilization also suffered badly.

In the wake of unpleasant experiences, it was strongly felt that entrepreneurs should be indoctrinated with great teachings of the Holy Quarn and Prophet Mohamad (PBUH) for the conduct of their business and industrial concerns. When entrepreneurs learn Islamic values and ideas, apply these in running organized activities for mutual benefits of the parties taking part on business or other transactions- these can be regarded as Islamic entrepreneurship. Such entrepreneurship does involve in those activities which fail to ensure consumer rights, social responsibilities, ethical values and healthy business practices (Chowdhury, 2008).

Basis of Islamic Entrepreneurship

Islamic entrepreneurship carefully avoids undesirable hoarding, unkind treatment to employees and unfair dealings with customers. Attaining the satisfaction of God, maximization of social welfare, proper distribution of wealth and protection of national interest are the encouraging forces of Islamic entrepreneurship. The base of Islamic entrepreneurship is the lessons from the Holy Quarn and Sunnah. The role of Islam is that it imposes some restrictions of doing business for Muslims, while behaving religiously (Oukil, 2013). The following verses of the Holy Quran and teachings of Prophet Mohammad (PBUH) laid the foundation of Islamic entrepreneurship:

- After your prayer is over, spread over the earth and seek the bounty of Allah (Al-Quran 62:10).
- Cooperate with others in all honest and welfare-oriented endeavors to achieve greater well-beings of the people (Al-Quran).
- The person who performs job in a complete, ideal, qualitative and sound way will earn manifold blessings of Allah (Al-Hadith).
- Those who do righteous deed shall have a reward unfailing (Al-Quran 2:42).
- Search for your livelihood much below the soil - at every layer of the earth surface (Al-Hadith).
- Don't waste your wealth, those involved in misusing wealth are the brothers of the devil (Al-Quran 6:14).
- And O my people! Give just measure and weight, nor withhold from the people the things that are due. Commit not evil in the land with intent to do mischief (Al-Quran).
- You do a mundane work in such a way that you will live for ever and you do a work of the hereafter in such a way that you will die soon (Al Hadith).
- The believers are but a single brotherhood (Al-Quran 49:10).
- The businessmen who are truthful, upright and trustworthy will be accorded the status of great men like Ambia, Siddique and Shahid (Al-Hadith).
- Allah controls everything in the earth for you (Al-Quran).
- You are the best nation; you have been created for the welfare of mankind. You order for right, true and welfare-oriented activities and keep the people way from sin and undesirable tasks and have deep faith on Allah (Al-Quran).
- All of you have responsibility and each of you shall be held accountable for individual deeds. An employee is responsible to take care of master's property and s/he must account for it (Al-Hadith).

Women Entrepreneurship in Islam

Women in Islam are treated as equal to men in spiritual as well as some other aspects of life though the areas of responsibilities will not necessarily similar. Prophet Mohammad (PBUH) used to address both men and women together. Additionally, women are recognized in Islam for running business independently. Involvement of women in business and entrepreneurial activities has empowered them socially and opened access to the decision making activities at home and outside the family (Nawaz, 2009). Since the era of Islamic civilization, Muslim women were engaged in various forms of trade, commerce, agriculture and business management. Prophet Mohammad (PBUH) himself motivated women to get involved in trade and business. His first wife Khadijatul Kubra was one of the biggest traders of that time (Abbas, 2012). Asma, the daughter of Hazrat

Abu Bakr (R), mentioned that when she got married to Zubair, they did not have wealth. Prophet Mohammad (PBUH) gave them some land about two miles away from their home. She used to farm and transport the products herself. Asma bint Abu Bakr reported, “One day I was coming back with date stones on my head. Then I met Prophet with some people from Madinah. He asked me to ride with him on his camel’s back”. (Ghadarfar et al., 2006). Ayesha (RA) told about Ummul Mumenin Zainab bint-I-Jahash that “She used to process leather and then sew different things from it to sell in the market (Al-Bukari). The wife of Abdullah Ibn Mas’ud used to meet her expenses by manufacturing and selling handicrafts (Ali, 2011).

It is evident that women were never forbidden from the involvement of agriculture, trade, commerce, business, manufacturing and other entrepreneurial activities. A Muslim woman has the right to own property, to earn money through business and other professional activities, to enter into legal contracts and manage all of her assets in a way she pleases. She is entitled to run her own business and no one can claim on her earnings including her husband. Allah says (what means): “*And wish not for the things in which Allah has made some of you to excel others. For men there is reward for what they have earned, (and likewise) for women there is reward for what they have earned, and ask Allah of His bounty. Surely, Allah is ever all-knower of everything*” (Al-Quran 4:32). It is noteworthy to mention that Islam established the utmost right of the women. It allows them to get involved in all categories of entrepreneurial activities, which are professionally *halal* (permissible) in Islam. But there are certain conditions exclusively for women that are to be followed strictly, while getting involved into entrepreneurial operations. The guidelines in this regard are stated below:

- a) Women must take consent from her husband or guardian before getting involved into entrepreneurial activities.
- b) They must attire Hijab as prescribed by Islam.
- c) They must ensure that their home and children are properly taken care of.
- d) They must lower their gaze and guard their modesty.
- e) Any kind of activity that prevents them from following any Islamic obligation, like Hijab or Prayer, is not permissible. (Ullah et al., 2013)

Institutional Framework

A number of Islamic models have been developed by researchers to Islamize entrepreneurship. Chowdhury (2008) designed an Islamic model on the basis of input-output system. According to this model, prospective entrepreneurs having Islamic-orientation will be converted into Islamic-oriented entrepreneurs through a transformation process. The entrepreneurs with their religion based ethical values will embark upon starting new ventures through careful evaluation of the environmental opportunities and threats. It is earnestly hoped that entrepreneurs, equipped with Islamic knowledge and values will work sincerely to serve the society properly and to foster the socio-economic development of the nation. Though the model designed by Chowdhury (2008) is of value oriented concerning welfare of the society, it does not supported by any theoretical explanation. Moreover, it does not address the issues of women entrepreneurship from Islamic points of view. Ullah et al. (2013) attempted to design a model of Islamic entrepreneurship. It seems to be weak in interpretation of the model. Though the research work was related to women entrepreneurship from Islamic

perspective, it does not consider any issue in the adapted model concerning women entrepreneurship.

In view of above drawbacks, as stated before, this study applies Institutional Theory to explain women entrepreneurship in Islam. That is, an institutional link has been established between Islamic entrepreneurship and women entrepreneurs. The concept of institutional theory needs to be elucidated before its application in the study. As noted by Scott (2008), institutional theory burst on the organizational science during the mid 1970s. During the 1980s, the Institutional theory, also known as “Neoinstitutionalism” and the “Theory of Isomorphism”, emerged as the “Neo-Institutional Sociology (NIS)” for the study of institutions and was used as a lens for viewing work in a number of disciplines, predominantly economics, political science and sociology. In the past, the neo-institutional theory was associated with old institutional economics (OIE). In economics, neo-institutionalism seeks not to replace orthodox economic theory with the study of multiple and diverse institutional conditions, but rather to develop an economic theory of institutions. History of neo-institutional economics records many contributions, particularly Simon (1997), who focused on transaction costs and property rights inspired by Coase (1937), the efforts of Schumpeter (1961) on innovation, and evolutionary theory as developed by Nelson and Winter (1982) and the works of Douglass North, who won a Nobel Prize in 1993 for his contribution in new institutionalism (Scott 2001, 2008). The new institutional economics is currently dominated by scholars who adhere to the neoclassical core of the discipline (Drobak & Nye, 1997).

NIS is an emerging theory in the field of business research. It possesses high explanatory power in comparison with other contemporary theories such as Stakeholder Theory and Legitimacy Theory (Larrinaga-Gonzalez, 2007). Three pillars of institutions, which are regulative, normative and cultural-cognitive, are the vital issues behind institutionalization (Scott, 2008). As noted by Scott (2008), institutions are multifaceted, durable social structures, made of symbolic elements, social activities, and material resources. He identified three pillars of institutions: regulative, normative and cultural cognitive, which offer the main theoretical framework for NIS.

Table 1 – Three Mechanisms of Institutions

	Mechanisms		
	<i>Coercive</i>	<i>Normative</i>	<i>Mimetic</i>
Pillars	Regulative	Normative	Cultural-Cognitive
Basis of compliance	Expedience	Social obligations	Taken-for-granted Shared understanding
Basis of order	Regulative rules	Binding expectations	Constitutive schema
Logic	Instrumentality	Appropriateness	Orthodoxy
Indicators	Rules, Laws, Sanctions	Certification, Accreditation	Common beliefs, Shared logics of action
Affect	Fear Guilt/Innocence	Shame/Honour	Certainty/Confusion
Basis of legitimacy	Legally sanctioned	Morally governed	Comprehensible, Recognizable, Culturally supported

Source: Scott, W. R. (2008), p.51 (adapted)

In view of NIS mechanisms, the institutional framework of Islamic women entrepreneurship has been designed as follows:

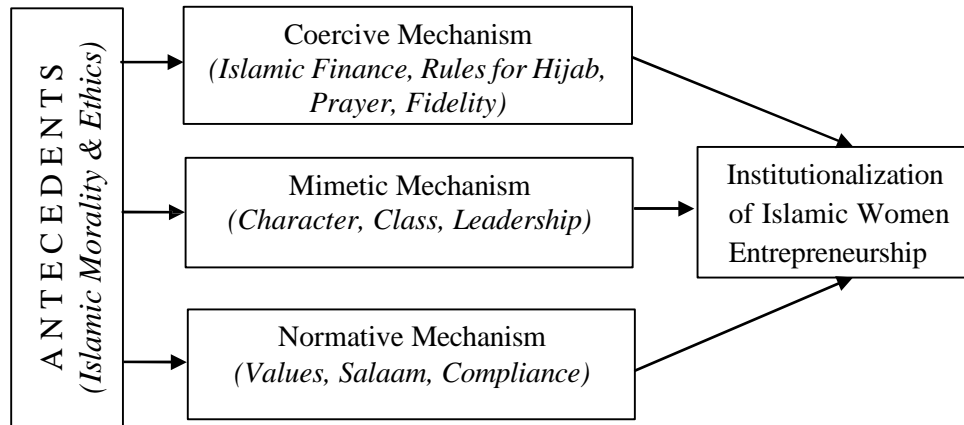


Figure 1: Institutional Framework for Islamic Women Entrepreneurship

According to NIS, coercive mechanism of institutions is based on rule setting, monitoring, recompense and punishment. All ancient scholars have undergone the regulative aspects of institutions where institutions constrain and regularize behaviour (see for example, North & Thomas 1973; Williamson, 1975, 1991, 1994; Skocpol, 1979; Campbell & Lindberg, 1991; Barnett & Carroll, 1993; Scott, 1995, 2001). It corresponds with the coercive isomorphic mechanism of DiMaggio and Powell (DiMaggio & Powell, 1983). Regulatory processes involve the capacity to establish rules, rewards and punishments to influence future behaviour. It examines how regulative forces function and how they interact with other institutional elements (Scott, 2008). In view of coercive mechanism, rules and regulations are to be established based on Islamic Shariah for Islamic women entrepreneurship. Women are to be forced to procure Islamic finance, wear Hijab, perform prayer and become obedient to husband or guardian in entrepreneurial activities. Separate prayer room, wash room etc. for female are to be ensured. There should be provision for maternity leave for the deserving women and baby care facilities for women employees. Easy access to fund for the women has to be ensured eliminating bureaucratic red-tapism. There should be punishment and reward to women entrepreneurs for their performance following Islamic guidance.

The normative mechanism of institutions focuses on values, norms and tradition that introduce a prescriptive, evaluative and obligatory dimension into social life. A group of theorists including Selznick, (1948), Roy (1952), Parsons, (1960), Burawoy (1979), Krasner (1983), Singh, Tucker, and House (1986) and Mezas (1990), consider institutions as resting primarily on a normative pillar that emphasizes the stabilizing influence of social beliefs and norms, which are both internalized and imposed by others. For prominent normative theorists such as Parsons, shared norms and values are the *basis* of a stable social order (Scott, 2008). Under normative mechanism, Islamic values and norms are to be followed by the entrepreneurs. Adal (justice) has to be ensured at all

levels of entrepreneurship. Offering Salam to everybody and everywhere has to be practiced to ensure Islamic environment in the enterprise.

Finally, the mimetic process is spawned by uncertainties within the environment (DiMaggio & Powell, 1983). Organizations tend to shape themselves after similar organizations in their field that they perceive to be more effective. As noted by DiMaggio and Powell (1983), uncertainty is one of the powerful forces that encourages imitation. Industrial imitation emerges when corporate goals are poorly understood or when the corporate environment creates symbolic uncertainty (Scott, 2008). Uncertainty forces organizations to model themselves on other organizations (March and Olsen, 1976). According to Kimberly (1980), new organizations are modelled upon old ones in an uncertain environment, and organizational actors actively seek models upon which to build. In view of mimetic mechanism, there should be industry class effects among the entrepreneurs. One Muslim woman entrepreneur follows another Muslim woman entrepreneur. Hence, character, behaviour, support etc. can influence each other. Regular training of women entrepreneurs can help sharing Islamic values and beliefs. It may assist them building ethical base. Finally it can be said that three mechanisms of NIS as stated above can institutionalize Islamic women entrepreneurship at a desired level.

Concluding Remarks

It is evident that Islam recognizes women for running business independently. Involvement of women in business and entrepreneurial activities has empowered them socially and opened access to the decision making activities at home and outside the family. But institutionalization of women entrepreneurs is a need of the day. Women are to be supported for becoming skilled and effective entrepreneurs. Women entrepreneurship needs to be developed comprehensively from Islamic perspective. From institutional point of view, the three mechanisms of institutions are vital for institutionalization of Islamic women entrepreneurship. That is, the coercive, normative and mimetic mechanisms complying with Islamic principles and values can develop institutionalism in women entrepreneurship.

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